

In short, Madam Speaker, we need a government of, by and for the people instead of one that is of, by and for the bureaucrats.

COMMUNICATION FROM THE
CHAIRMAN OF THE COMMITTEE
ON COMMERCE

The SPEAKER pro tempore laid before the House the following communication from the Hon. TOM BLILEY, Chairman of the Committee on Commerce:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, September 26, 1997.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule L (50) of the Rules of the House of Representatives, that the Committee on Commerce has received subpoenas for documents and testimony issued by the U.S. District Courts for the Central District of California and the District of Columbia, respectively, in the matter of Oxycal Laboratories, Inc., et al. v. Patrick, et al., No SA CV-96-1119 AHS (EEx) (C.D. Cal.) (civil dispute between private parties that apparently arises out of an alleged breach of a settlement agreement).

After consultation with the Office of General Counsel, I have determined that the subpoenas appear, at least in part, not to be consistent with the rights and privileges of the House and, to the extent not consistent with the rights and privileges of the House, should be resisted.

Sincerely,

TOM BLILEY,
Chairman.

ELIMINATE THE IRS AS IT IS NOW
KNOWN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Madam Speaker, I rise tonight to speak on a very important topic, and that is to eliminate the IRS as we know it, and I have to thank my friend, the gentleman from Tennessee [Mr. DUNCAN], who has outlined well the case for why we in Congress, the House and the Senate, working together with the executive branch, must make these fundamental changes.

We have a Tax Code that is over 5 million words, an agency that has 113,000 agents, and there are really two issues here. The two issues are these: First, we need to have IRS change, and then we need to make sure that in fact the code itself changes and we have a new system.

The IRS has to change because we have the abuses caused by the kind of burden of proof that is required. Right now in the United States the Commissioner of the IRS is presumed to be correct and the taxpayers are presumed to be guilty. In no other part of Anglo-American law is anyone presumed guilty before evidence is presented. It seems to me that that is a very fundamental, logical, reasonable change

that has to be made, legislatively speaking, right here in the House and as well in the Senate.

Beyond making the burden-of-proof change, we should see a change, I believe, in the culture of how the investigations are conducted. We have heard case upon case last week in the Senate Committee on Finance and I, in my district in Montgomery County, Pennsylvania, have seen where regular business people, individuals and families have been terribly hurt by investigations without probable cause, where we have bank accounts seized, businesses closed, individuals' lives turned upside down because there may have been a belief, without evidence, that something was wrong.

The fact is in many cases the IRS has overstepped its bounds. There have been quotas for having cases brought, for convictions being made, and when in fact this has been turned over. We need to make sure the IRS is changed so that when there is an investigation conducted it is with probable cause, and we will not have bank accounts seized, we will not have businesses closed and we will not have lives turned upside down.

We need to make sure we provide those kinds of safeguards that already exist in the private sector. If someone wants to bring an action in a civil court, they have to have probable cause. And if a person brings injury against someone else, they have to pay just compensation. The United States should have the same burden so that the taxpayers are protected.

That is why I am sponsoring and cosponsoring legislation in this Congress to make the changes on the burden of proof, on changing the IRS, and on having a date certain by which we do that. By the year 2000 we will have a replacement agency which will oversee, hopefully, a new IRS and as well a new code.

The current code, with all the words and all the exclusions and all the exemptions seem to favor only a few while taking money from the many. We want to see the possibility of flat tax, one that would have exemptions, of course, for mortgage deduction, for State and local taxes that are collected, as well for charitable deductions.

Those kinds of reasonable changes will be the kinds of changes that the American people can embrace. And Congress has to lead the way in response to the abuses that have been outlined not only in the Senate Committee on Finance, Madam Speaker, but as well in the Committee on Ways and Means with the oversight hearings that are being conducted.

I am hoping colleagues on both sides of the aisle will join together to make those changes, because I know there are people in every State that have had these abuses. They must end. And while most of the IRS are doing a good job and care about what they have as a career, we have set up the cir-

cumstances by creating a system with an unfair burden of proof with a runaway agency because of the culture that was created years ago.

Those fundamental changes must be made. We can downsize and we can make sure that we are delivering to the people the kind of government they want and the kind of protection they want. And so I thank my colleagues for their support in this new legislation.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

[Mr. METCALF addressed the House. His remarks will appear hereafter in the Extension of Remarks.]

IRS, MEDICARE, AND SOCIAL
SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 60 minutes as the designee of the majority leader.

Mr. NEUMANN. Madam Speaker, I have been sitting in the Chamber listening to the 5-minute speeches that have been going on, so I want to start tonight by proposing some new legislation as it relates to campaign finance reform.

And here is what our legislation will do. We will make it illegal to make fund-raising phone calls from offices that are paid for by the taxpayers of this great Nation, so in the future it will be illegal to make phone calls from offices that are paid for with tax dollars.

We will make it so that the Lincoln bedroom, a very important part of our heritage in this great Nation, is no longer for sale for purposes of raising money for any political sort, whether it be Republican, Democrat or otherwise.

And the third thing our campaign finance reform bill will do is it will make it illegal for foreigners to contribute to, that is, buy, election influence in the United States of America.

Those are the three points of our campaign finance reform bill that I would hope to introduce.

The gentleman from Pennsylvania is nodding his head, and I would yield to him for a comment.

Mr. FOX of Pennsylvania. Well, Madam Speaker, I thank the gentleman and would just tell him that this is a takeoff of legislation I started about 8 months ago on the Lincoln bedroom. But I think the gentleman's legislation is a little more comprehensive, and I, frankly, would like to cosponsor the gentleman's bill and make sure we carry the message forward.

I think when the public and our colleagues hear about this particular abuse or that abuse, I think a comprehensive bill that would embrace all of the changes would get the attention, I believe, not only of the public but as well the Speaker and the leadership. So